

Federal Community Development Grants**FY2002 Request: \$6,350,000**
Reference No: AMD33925**AP/AL:** Appropriation**Category:** Health/Safety**Location:** Statewide**Election District:** Statewide**Estimated Project Dates:** 07/01/2001 - 06/30/2006**Project Type:** Health and Safety**Contact:** Pat Poland**Contact Phone:** (907)269-4580**Brief Summary and Statement of Need:**

The Department receives federal funding from several different programs, including the Flood Mitigation Assistance grant program, USDA and the Denali Commission. These have been listed in the past as separate appropriations under U.S. Forest Service Mini Grants and Flood Mitigation Assistance Grants. This project combines the various federal project funding under one appropriation.

Funding:

	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	Total
Fed Rcpts	\$6,050,000	\$6,050,000	\$6,050,000	\$6,050,000	\$6,050,000	\$6,050,000	\$36,300,000
G/F Match	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,800,000
Total:	\$6,350,000	\$6,350,000	\$6,350,000	\$6,350,000	\$6,350,000	\$6,350,000	\$38,100,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased Project	<input checked="" type="checkbox"/> On-Going Project
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Total Operating Impact:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Prior Funding History / Additional Information:

In prior years, this funding was in separate project specific appropriations. FY 99 200,000; FY 00 550,000; FY 01 1,050,000

The Department receives federal funding from several different programs, including the Flood Mitigation Assistance grant program, USDA and the Denali Commission. These have been listed in the past as separate appropriations under U.S. Forest Service Mini Grants and Flood Mitigation Assistance Grants. This project combines the various federal project funding under one appropriation.

FEMA

On May 21, 1997, the Department received Federal Emergency Management Agency (FEMA) notice of a Flood Mitigation Assistance grant program newly authorized by Congress. This is a pre-disaster grant program aimed at eliminating the long-term risk of flood damage to homes and other flood-insured structures. The three eligible activities include:

1. Relocation of any structure located on land that is along the shore of a body of water and is certified by an appropriate state or local land use authority to be subject to imminent collapse or subsidence as a result of erosion or flooding.
2. Elevation or flood proofing of structures (including public structures) located in areas of flood risk.
3. Acquisition by states and communities of properties (including public properties) located in areas having flood risk, and properties substantially damaged by flood, for public use.

Department staff assist communities in preparing applications acceptable for funding and in implementing approved mitigation and planning projects. There is a 25 percent match requirement for these funds that will be provided by the grantees.

The first year of funding of \$113,700 was requested, and approved, by legislative revised program to the FY 98 operating budget. Subsequently, the Department budgeted for the grant in its FY 99 operating budget, also at the level of \$113,700. Time and experience, however, have proven that these projects take significantly longer than one year to complete due to local contracting requirements and more than one year's time to meet the 25% match.

In FY 99 FEMA requested the Department pass-through FMA grants to the Kenai Peninsula Borough for emergency stabilization of the bluff below Port Graham School and the Fairbanks North Star Borough to begin a mitigation strategy for homes damaged below the Chena Flood Control Project.

The Department anticipates receiving annual grant awards for this program. The mitigation grants are for local activities that have extended over several construction seasons.

USDA

The Mini-Grant Program is a joint effort between the federal USDA Forest Service and the Alaska Department of Community and Economic Development. This partnership provides funding and technical assistance to communities to enhance their overall quality of life. The partnership also facilitates access by rural communities to the resources available from both the Forest Service and the Department of Community and Economic Development.

Economic development activities are considered for funding under the Mini-Grant program. The objective of the Forest Service funds which are committed to the Mini-Grant program is to strengthen rural communities by helping capitalize on their potential to diversify and expand their economies through use of natural resources and by developing new economic activity in non-forest related industries. The program addresses the long-term vitality of rural areas and focuses on enhancing the overall quality of rural life primarily through natural resource based solutions.

Mini-Grants are awarded annually through a competitive application process.

Denali Commission

Introduced by Congress in 1998, the Denali Commission (DC) is an innovative federal-state partnership designed to provide critical utilities, infrastructure, and economic support throughout Alaska. With the creation of the DC, Congress acknowledged the need for increased inter-agency cooperation and focus on these remote communities.

In the Denali Commission Act of 1998, the Commission is directed "To promote rural development, provide power generation and transmission facilities, modern communication systems, water and sewer systems and other infrastructure needs."

Federal Community Development Grants

FY2002 Request: \$6,350,000
Reference No: AMD33925

The DC recently approved a \$4.5 million grant to the department to fund community infrastructure projects. The grant program fills funding needs for local community projects that do not fall within the primary funding priorities of the DC, funding the more critical needs of rural communities that are not being addressed by existing grant programs. The projects must be identified as a high priority in a community development plan, a minimum 10% cash match is required, the grant cannot pay more than 60% of the total project cost, and the grant must be used for actual construction.

An additional \$500,000 in DC funds for various projects are received by the Department throughout the year. Match varies from project to project.

GF Match

There are varying levels of state match required for the federal programs. In aggregate, the GF match requested is 5% of the total budget.

Anticipated Funding

FEMA	450,000 federal
USDA	400,000 federal
DC	5,000,000 federal
	300,000 GF/Match